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2014-15 Governors Budget - Legal Professions Boards

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Mission:

The Minnesota Supreme Court exercising its inherent constitutional authority regulates the practice of law in Minnesota.

The Supreme Court exercises its regulatory authority so that within the state the public is well served by admitting to practice persons possessing competence and good character who, as licensed lawyers, continuously revitalize their knowledge of the law by attending continuing legal education programs, by appropriately disciplining after careful investigation those who have been found to have violated the Minnesota Rules of Professional Conduct, and by reimbursing clients under specified circumstances who have lost funds because of lawyer misfeasance. The court has implemented a statewide lawyer assistance program to direct lawyers to appropriate and necessary counseling.

Statewide Outcome(s):

Legal Professions Boards support the following statewide outcome(s).

Strong and stable families and communities.

People in Minnesota are safe.

Efficient and accountable government services.

Context:

The Boards, consisting of lawyers and lay members, are appointed by the Supreme Court to carry out their respective functions within the rules for each board promulgated by the Supreme Court. Each board is authorized to hire staff. The Client Security Board contracts with the Office of Lawyers Professional Responsibility for legal services to examine claims and pursue subrogation claims. The Board of Law Examiners, Continuing Legal Education, and Legal Certification have a single director and share staff.

The Supreme Court has established regulatory boards to assist in key areas of the regulation of the practices of law. Key issues addressed by these agencies include:

- The Board of Law Examiners (BLE), Board of Continuing Legal Education (CLE), and Board of Legal Certification subject prospective lawyers to a thorough background investigation, using test instruments to validly assess lawyer competence, approving as continuing legal education (CLE) those courses which meet the high standards of the Supreme Court's Rules and ensuring that lawyers are fulfilling their obligation to continue their professional education as a condition of continued licensure, and finally, accrediting agencies to certify lawyers as specialists.
- The Office of Lawyers Professional Responsibility (OLPR), working in conjunction with district ethics committees throughout the state, investigates complaints of unprofessional conduct against lawyers, and recommends discipline where appropriate.
- The Client Security Board reviews claims from clients who have experienced monetary loss because of attorney dishonesty and, where the claim meets criteria established by the board, reimburses the client for the loss up to \$150,000.
- The Lawyer Assistance Program directs lawyers who are suffering from chemical and substance abuse or emotional distress to appropriate treatment.

The primary customers of the Boards are applicants to the bar, attorneys from other states seeking admission in Minnesota, Minnesota-licensed attorneys seeking to fulfill their CLE obligations, CLE sponsors seeking accreditation for the courses, agencies seeking to be accredited to certify lawyers as specialists, the Minnesota State Bar Association, law firms and clients.

Dedicated revenue fully funds the activities of the boards. No General Fund monies support the operations of these boards. The Supreme Court assesses each lawyer admitted to the practice law in Minnesota an annual

registration fee which funds these activities. The registration fee is authorized by statute and held in trust for the regulation of the bar. The registration fee revenue is divided among each of the boards (with the exception of the Legal Certification Board which is funded entirely by user fees) as determined by Court's Rules for Registration of Lawyers, after public hearing. The Board of Law Examiners assesses a bar application fee to each applicant for admission to the bar. The Board of Continuing Legal Education assesses course application fees and various administrative fees. The fees for those boards are included in the Department Earnings Report.

Strategies:

The Boards have extensive written rules, policies, and procedures that ensure fair and accurate processing of applications, course approval requests and course applications, the prompt investigation and disposition of lawyers' alleged disability or unprofessional conduct, as well as a well-trained and carefully managed staff who conscientiously carry out their obligations. In addition, there are volunteer Board members comprised of lawyers and non-lawyer members of the public who volunteer their time to oversee the policies and procedures through which each of the Boards carry out their responsibilities.

The Boards contribute to the statewide outcomes by ensuring that only those who are competent and have good character are licensed to practice law; that ethics complaints against Minnesota lawyers warranting professional discipline are investigated and prosecuted; and that clients who suffer loss of money or other property from the dishonest conduct of their attorney are reimbursed. These activities contribute to the administration of justice and ensure that members of the Minnesota Bar provide legal service to those in need of legal counsel and to communities in need of civic members who will uphold the rule of law.

Key partners in the work of the Boards are the Minnesota State Bar Association and its committees and sections, Lawyers Concerned for Lawyers, deans and associate deans of law schools, particularly the deans of the four law schools located in Minnesota; administrators of the bar admission, CLE and certification offices in other states, district ethics committees (DEC), and colleagues in the Judicial Branch.

Results:

The Board of Law Examiners, Board of Continuing Legal Education, and Board of Legal Certification know their strategies are working when the following results are manifest:

- Few applicants to the bar and attorneys are denied admission or sanctioned for failure to comply with Board of Law Examiners' or the CLE Board's requirements; new certifying agencies continue to apply for accreditation to certify lawyers as specialists. The Boards' Customers are routinely surveyed and their responses affirm that services are provided in a professional manner.
- Minnesota has a Bar that is and remains well-educated and prepared to carry out the obligations of licensure. As a result of the accreditation of reputable agencies, only those members of the bar who have met high standards of demonstrated expertise, may hold themselves out as specialists in a field of law.

The factors driving their stable or improving performance trend include the development and implementation of computer technology which permits timely and accurate completion of investigations and valid administration of professional examinations. While the performance trend is stable, the Boards continually look for ways to improve performance and increase efficiencies in operation.

For the Office of Lawyer Professional Responsibility when the number of complaint files closed each year is equal to or exceeds the number of new complaints received, case backlog is prevented and unnecessary delays and/or frustration for complainants and respondent attorneys is reduced. In the current year, the OLPR increased the number of complaint files closed at a rate that exceeded the number of new complaints received. Proper case management allows the office to fulfill its many other tasks, principally handling major public discipline matters but also speaking at CLE courses, writing articles, and overseeing attorneys on probation.

Performance Measures	Previous	Current	Trend
Number of applicants for admission to the Bar 2010 and 2011	1,276	1,208	stable
Number of approved CLE courses 2010 and 2011	11,583	11,394	stable
Number of lawyers certified as specialists 2010 and 2011	854	923	increasing
Number of complaints received by OLPR 2010 and 2011	1,356	1,341	stable
Number of complaint files closed by OLPR 2010 and 2011	1,252	1,386	increasing

Performance Measures Notes:

Previous year data is from 2010. Current year data is from 2011.

Legal Professions Board**Current, Base and Governor's Recommended Expenditures**

(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)		\$12,315		\$12,315
Current Law Expenditures (FY 2014-15)		\$13,202		\$13,202
Governor's Recommended Expenditures (FY2014-15)		\$13,202		\$13,202
\$ Change from FY 2014-15 Current Law to Governor's Rec		\$0		\$0
% Change from FY 2014-15 Current Law to Governor's Rec		0%		0%

Legal Professions Board**Sources and Uses**

(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	Other State Funds	Federal Funds	Total Funds
BALANCE FORWARD IN		\$9,688		\$9,688
REVENUE		\$11,921		\$11,921
SOURCES OF FUNDS		\$21,609		\$21,609
BALANCE FORWARD OUT		\$8,377		\$8,377
TRANSFERS OUT		\$30		\$30
EXPENDITURES		\$13,202		\$13,202
PAYROLL EXPENSE		\$8,117		\$8,117
OPERATING EXPENSES		\$4,198		\$4,198
OTHER FINANCIAL TRANSACTIONS		\$96		\$96
GRANTS, AIDS AND SUBSIDIES		\$790		\$790
USES OF FUNDS		\$21,609		\$21,609

Legal Professions Board
All Funds FTE by Program

	Current	Forecast Base	Governor's Recommendation
Program	FY 2013	FY 2015	FY 2015
Program: Lawyers Board	41.7	41.7	41.7
Legal Professions Board	41.7	41.7	41.7

Legal Professions Board**Revenue Summary**

(Dollars in Thousands)

		Biennium FY14-15			
		General Fund	Other State Funds	Federal Funds	All Funds
Dedicated	DEPARTMENTAL EARNINGS		11,676		11,676
	INVESTMENT INCOME		31		31
	ALL OTHER		215		215
	Subtotal		11,921		11,921
	Total		11,921		11,921